

Kalamazoo Public Library
OFFICIAL MINUTES OF THE BOARD OF TRUSTEES
PUBLIC MEETING
Date: May 18, 2015
Time: 4:00 p.m.
Location: Central Library Board Room

TRUSTEE ROLL CALL:

Present: Robert Brown, Bruce Caple, Lisa Godfrey, Kerria Randolph, Cheryl TenBrink, James VanderRoest, and Valerie Wright

Absent: None

CALL TO ORDER:

President Caple called the meeting to order at 4:00 p.m.

AGENDA APPROVAL:

The agenda was amended to reschedule the Patron Use of Catalog report for a later meeting.

I. RECOGNITIONS, RESOLUTIONS, COMMUNICATIONS

A. Resolution to Authorize a Public Hearing on the Proposed Budget for 2015-2016

Recommendation: Director Rohrbaugh recommended the Board adopt the resolution authorizing a public hearing on the 2014-2015 budget.

Executive Summary: It is necessary to hold a public hearing on the proposed budget and publish notice of the hearing as detailed in the resolution to legally set the millage rate that supports the budget and allow the authorized property taxes to be collected for the operation of the library.

MOTION: J. VANDERROEST MOVED AND L. GODFREY SUPPORTED THE MOTION TO ADOPT THE RESOLUTION AUTHORIZING A PUBLIC HEARING ON THE 2015 – 2016 BUDGET

Roll Call Vote: L. Godfrey – yes; V. Wright – yes; C. TenBrink – yes; K. Randolph – yes; R. Brown – yes; J. VanderRoest – yes; B. Caple – yes

MOTION CARRIED: 7-0

II. PERSONS REQUESTING TO ADDRESS THE BOARD

No one addressed the Board.

III. CONSENT CALENDAR

A. Minutes of the Meeting of April 27, 2015

B. Personnel Items

IV. FINANCIAL REPORTS

A. Financial Reports for the Month Ending April 30, 2015

Recommendation: Director Rohrbaugh recommended the Board accept the Financial Reports for the month ending April 30, 2015.

Discussion: J. VanderRoest commented that the general fund revenue was keeping an appropriate pace for this point in the fiscal year.

MOTION: V. WRIGHT MOVED AND L. GODFREY SUPPORTED THE MOTION TO ACCEPT THE FINANCIAL REPORTS FOR THE MONTH ENDING APRIL 30, 2015.

MOTION CARRIED 7-0.

V. REPORTS AND RECOMMENDATIONS

RECOMMENDATIONS:

A. Budgets

Recommendation: Director Rohrbaugh recommended the Board take the following action by separate motions and votes:

1. Approve the "General Operating Fund – Close Estimate Budget Revision for FY 2014-2015"
2. Receive for review the "General Operating Fund – Preliminary Budget FY 2015-2016"
3. Receive for review the "Capital Improvement Plan for the Three Years Ending June 30, 2017"
4. Approve the "Special Revenue Fund Close Estimate Budget for FY 2014-2015" and the "Special Revenue Fund Preliminary Budget for FY 2015-2016"

Executive Summary:

Close Estimate Budget Revision for FY 2014-2015

The Close Estimate Budget Revision for fiscal year ending June 30, 2015 recognizes the final impact and accounting of the MPSERS UAAL Stabilization expenditure and reimbursement by the State of Michigan. Both State Grants and Reimbursements and defined benefit Retirement Expense have been adjusted by \$96,649. Final taxable values and settlement amounts from each of the library district's participating governmental units were also available and have been adjusted for this revision of the budget. The net effect is a reduction in budgeted revenue of \$42,493 for the fiscal year. The corresponding reduction in retirement expense, the release of several reserves no longer needed at year-end, and a zero impact series of budget transfers in the Purchased Services category result in a reduction in budgeted expenditures of \$135,681.

The net effect of all revisions is an increase in Unassigned Fund Balance at the end of the fiscal year of \$93,188.

Preliminary Budget for FY 2015-2016

The Preliminary Budget for fiscal year ending June 30, 2016 recognized taxable values increasing 2.1% overall for the library district prior to adjustments for tax captures within the City of Kalamazoo and Oshtemo Township. After those captures are accounted for, property tax revenue is projected to increase 1.5%. Additionally, the elimination of the State of Michigan's reimbursement budget for the MPSERS UAAL Rate Stabilization program reduces both revenue and expenditures as compared to the prior year, leaving only the estimated \$74,000 in State Aid to Public Libraries in the revenue category of State Grants and Reimbursements

In addition to the revision of several budget categories to clarify budget and expenditure definitions, the Preliminary Budget incorporates the addition of two full-time equivalent (FTE) positions. The first position planned is an additional Youth Services Librarian to support our services to youth primarily at branch libraries. Another additional position is planned to support facilities management projects, contracts, and services.

Initiatives included in fiscal year 2015-2016 include moving the library's integrated library system to the cloud; contracting for system support of human resources, the Affordable Care Act, and Internal Revenue Service reporting requirements; and the continuation of service enhancements for patrons utilizing both new and traditional platforms.

The Preliminary Budget continues support of the Capital Improvement Plan at \$400,000 for the fiscal year and results in a net of revenues exceeding expenditures of \$58,816.

Capital Improvement Plan

The Capital Improvement Plan for the three years ending June 30, 2017 continues current projects until completion. Within those budgets several detail projects already budgeted have been realigned to better fit their purpose. That realignment has caused much of the variances to prior budget recognized at the major category level but result in a Variance to Prior Total Expenditure budget of only \$755.

New projects included in the fiscal year 2015-2016 allocations include: repair of Central Library's exterior marble tile; public computer replacements; portable technology for both public programming and staff services; a multi-part server migration project; and several other smaller technology purchases.

The three year plan ends with a projected reduction of fund balance of \$186,345.

Special Revenue Fund

The Special Revenue Fund Close Estimate Budget for fiscal year 2014-2015 and the Preliminary Budget for 2015-2016 continue the current projects for Ready to Read, History Room, Gifts, and Friends Mini-Grants at current levels, recognizing gifts and grants received to date. No new projects or major grants are anticipated with the variances recognized due to carryover balances and continued activity.

All the above presented budgets have been reviewed and are recommended for either approval or review by the Finance and Budget Committee.

Discussion: Director Rohrbaugh indicated that the four financial items typically discussed at the May meeting have been prepared. Some of the recommendations are being brought to the Board for *reception* and others for *approval*.

She explained the four separate items in turn. The first being approval of the Close Budget Estimate revisions for the current fiscal year. The second being reception and review of the Preliminary Budget for the next fiscal year, which included two new full time positions: a youth librarian and an assistant to the Head of Facilities Management. The third being reception of the Capital Improvement Plan, which includes new projects such as repair to the exterior of Central, public computer replacement, and the migration of server functions to KRESA. The last being the approval of Special Revenue Funds, which include Ready to Read and Friends mini grants.

President Caple thanked the Finance and Budget Committee for having previously reviewed each of the four items.

MOTION: J. VANDERROEST MOVED AND R. BROWN SUPPORTED THE MOTION TO APPROVE THE GENERAL OPERATING FUND CLOSE ESTIMATE BUDGET REVISION FOR FISCAL YEAR 2014 – 2015.

Discussion: R. Brown reminded Trustees that a revision of this type is necessary to bring the budget in line with reality.

MOTION CARRIED 7-0.

MOTION: J.VANDERROEST MOVED AND V. WRIGHT SUPPORTED THE MOTION TO RECEIVE FOR REVIEW THE GENERAL OPERATING FUND PRELIMINARY BUDGET FOR FISCAL YEAR 2015 – 2016.

Discussion: J. VanderRoest noted that the fund balance increase is higher than it has been in the last several years. V. Wright commented the increase was particularly impressive in light of the creation of the two new full time positions.

MOTION CARRIED 7-0.

MOTION: L. GODFREY MOVED AND V. WRIGHT SUPPORTED THE MOTION TO RECEIVE FOR REVIEW THE CAPITAL IMPROVEMENT PLAN FOR THE THREE YEARS ENDING JUNE 30, 2017.

Discussion: President Caple asked how much trouble the slipperiness of the entryway to Central was over the winter, and whether any steps toward remediation of that situation had been considered. Director Rohrbaugh responded, saying she believed there was a substance applied early on which helped. She then asked S. Lindemann, Head of Facilities Management, for her input. S. Lindemann stated at one point an etching into the bricks was conducted which allowed for greater traction. She said short of pulling up the surface and replacing it entirely, that has been the best solution to date. President Caple said he thought it would be a good topic to think about moving forward, since it affects so many patrons and staff.

J. VanderRoest pointed to an item in the CIP for AV shelving which is currently on hold. Director Rohrbaugh elaborated on the item in question stating the first few months of the year would be spent making a plan for expansion of the AV shelving before a specific budget for the project would be adopted.

V. Wright asked for information regarding proposed repairs to the marble exterior. S. Lindemann described the way in which water was penetrating the grout between the tiles, which in time will cause them to detach from the façade of the building.

MOTION CARRIED 7-0.

MOTION: L. GODFREY MOVED AND J. VANDERROEST SUPPORTED THE MOTION TO APPROVE THE OTHER GIFTS & GRANTS REVISED CLOSE ESTIMATE BUDGET FOR FISCAL YEAR 2014 – 2015 AND THE OTHER GIFTS & GRANTS PRELIMINARY BUDGET FOR FISCAL YEAR 2015 – 2016.

MOTION CARRIED 7-0.

B. Supervisory – Technical and Administrative Staff Compensation Pools for FY 2015-2016

Recommendation: Director Rohrbaugh recommended the Board approve the compensation pools for Supervisory-Technical and Administrative Employees for the FY 2015-2016.

Executive Summary: The recommended compensation pool for supervisory-technical and administrative staff provide for salary merit increases for all non-represented staff within the approved salary ranges for FY 2015-2016.

Recommended Supervisory-Technical Pool	\$25,500
Recommended Administrative Pool	\$18,500*

* Includes allowance for the Director.

This recommendation has been reviewed and is supported by the Finance and Budget Committee.

MOTION: V. WRIGHT MOVED AND J. VANDERROEST SUPPORTED THE MOTION TO APPROVE THE COMPENSATION POOLS FOR SUPERVISORY-TECHNICAL AND ADMINISTRATIVE EMPLOYEES FOR THE FY 2015 – 2016.

Discussion: President Caple asked how the compensation pools compare to those from years past. Director Rohrbaugh indicated the pools were very similar to those in previous years.

MOTION CARRIED 7-0.

REPORTS:

C. State of the eBooks – Matt Smith

Report: M. Smith introduced himself and explained that in addition to working at the reference desk and the law library, he also works as the material selector for KPL’s eBook collection.

He began his presentation to the Board by sharing statistics regarding eBook circulation and demographic information about eBook users. He stated thus far in 2015, eBook circulation has been up considerably over previous years. Users are primarily female and live near Oshtemo

Township, WMU, and the West Main area.

M. Smith continued by explaining the process of how KPL gains access to eBooks, which begins with the author and publisher before they are picked up by Overdrive, and purchased by the Midwest Collaborative for Library Services. In addition to those we have access to through the collaborative, Matt purchases specific books purely for use by Kalamazoo Public Library patrons. He then went on to explain several other operational models, including those used by Kent District Library and the Douglas County Public Library located in Colorado.

He then shared additional statistics which he had gathered in an effort to better inform the purchases he makes for the library. He said most eBook users also visit the library in person for other purposes. Circulation statistics between eBooks and traditional books are similar in that the same genres and authors tend to be the most popular. The order of popularity, however, is different, with romance novels overwhelmingly being the most highly circulating literature in the eBook format.

M. Smith continued by explaining pricing models for different genres and authors and drew the Trustees' attention to a wide cost disparity in costs between best-selling authors and lesser known writers. He then shared patron feedback, which was largely positive. Most patrons thought wait times associated with eBooks were appropriate. Several commented that the user interface for downloading eBooks has become better over time. Many patrons rely on KPL as their primary source of eBooks.

Discussion: President Caple asked M. Smith about the operational model at Douglas County Public Library which works directly with publishers to acquire eBooks. M. Smith indicated that it's a very unique model, and important because they are creating a model for others to follow. He stated that the publishers working with the library are very small and local, and the eBooks themselves are quite obscure, but it is an interesting model nonetheless.

President Caple inquired as to the conditions under which a license for an eBook would expire. M. Smith stated licenses obtained from Overdrive are valid until we leave Overdrive or the company ceases to exist.

J. VanderRoest asked about a lending model that was previously discussed in which a library's license on an eBook would only be valid for a certain number of circulations. M. Smith indicated that is indeed a model that exists. M. Cockrell added that each publisher tends to subscribe to a specific model, but he believes a standard model will emerge before long.

L. Godfrey expressed her frustration with the depth of the eBook collection in terms of nonfiction, and specifically, classical literature. M. Smith replied by explaining his recent move to using of Collection HQ to evaluate the eBook circulation stats. He has noticed classical literature circulating well and plans to look into expanding that genre's footprint in the collection.

J. VanderRoest mentioned he was intrigued by the potential of eBooks to become a multimedia experience. M. Smith agreed and pointed out that the path for that format was currently being paved in children's eBooks.

President Caple asked if any initiatives were being planned to attempt to lend eBook readers to

patrons, specifically those residing in areas within the KPL district for which circulation rates were low. M. Smith stated he has thought extensively about this and there are both costs and benefits associated with lending readers. Feedback he has received from other librarians indicates that there is a lot of work involved in preparing the readers for circulation for each checkout.

Disposition: Trustees thanked M. Smith for his report.

D. It's My Library Campaign – Farrell Howe

Report: F. Howe began her report by showing a video which is indicative of the types she would like to assist library patrons in creating as part of the campaign. The video featured F. Howe explaining all the services for which she visits the library.

She continued by explaining the campaign is set to begin in the Fall of 2015 and currently she is collecting 'applications' from patrons interested in creating a video of their own. A primary focus of this campaign is to demonstrate the huge variety of services provided by the library. Another focus will be highlighting the number of community partnerships in which KPL is engaged.

F. Howe then explained several of her goals, the first of which is to increase patron engagement through social media. She also expressed interest in drawing attention to KPL branch libraries. She stated that she will be seeking patrons who primarily visit branches for creation of their own 'It's My Library' videos which feature those locations.

Highlights from the first phase of the campaign include 'It's My Library' buttons for staff to begin the dialogue with patrons and 'selfie stations' for each branch at which patrons can take photographs and post them to Instagram. There will be a strong integration between KPL programs and national library initiatives such as Library Sign-up Month. There will also be prizes for patrons who choose to share their library stories. Promos will include buttons, pens, window clings, bookmarks, t-shirts, bags and more.

F. Howe then explained that phase two will primarily focus on KPL's community partnerships which will focus on unique collaborations and promotions with each partner, such as discounts at partner locations.

Discussion: C. TenBrink asked whether this campaign is an established model. F. Howe said it was not and was designed completely by KPL staff.

R. Brown asked about the proposed logo for the campaign. F. Howe explained it is meant to be fun and may be modified further for use in digital applications.

Disposition: Trustees thanked F. Howe for her report.

E. Summer Reading Challenge – Andrea Vernola and Michael Cockrell

Report: Director Rohrbaugh introduced A. Vernola and M. Cockrell. A Vernola began their report

by explaining some differences in this year's program. She stated there will only be one game board for everyone, as opposed to one for each age group. The theme will be 'Read Like a Hero' and the dates for the program will be June 1st through August 28th.

Regarding prizes, A. Vernola said children birth through 4th grade will receive three books and a t-shirt, teens and tweens will receive three books and a set of earbuds, and adults will receive raffle entries for Friends of KPL gift certificates and the popular canvas bags from last year for the sixty day prize.

M. Cockrell explained some of the changes made this year regarding the reduction in prizes for adults and use of a single game board for all ages. The rationale behind these changes is to save on overall costs of the program and strengthen the focus on youth literacy. He added that it appears as though most adults sign up and play with their families as evidenced by statistics which show most adults sign up at Children's desks.

Discussion: C. TenBrink asked whether there would be promotion through Kalamazoo Public Schools this year. S. Warner and A. Vernola indicated that there would be promotion and partnership with KPS. C. TenBrink inquired about a relationship with charter schools in the area. S. Warner indicated no such partnership was currently in place.

J. VanderRoest asked whether there has been an effort to sign children up for the Summer Reading Challenge at Party in the Park. A. Vernola stated that has never been explored, but is something to think about in the future. F. Howe reminded the Board that there will be many opportunities for patrons to sign up for the Summer Reading Challenge at Kalamazoo Growlers games this summer.

Director Rohrbaugh stated she is proud that KPL maintains a three-month schedule for the Summer Reading Challenge, while many libraries have opted for a significantly shorter run for their own summer reading programs.

Disposition: Trustees thanked A. Vernola and M. Cockrell for their report.

F. Legislative Update – Diane Schiller

Report: D. Schiller began her report by stating that most legislative items she has been following have showed no activity worth noting. The legislation has been busy attending to appropriations bills and other matters that do not necessarily affect the library.

One item which may impact KPL operations is an amendment to an existing bill which would allow a school district to become a partner in a newly formed library district. This amendment passed the Senate in March and is now working its way through the House.

She continued by explaining another bill currently being considered by the House which defines protocol for remote attendance at meetings such as those held by the KPL Board of Trustees. This bill would not allow Trustees to vote remotely.

Additionally, she mentioned there is a bill which seeks to make changes to union contracts and bargaining agreements. The bill forbids the inclusion of paid time off for the purpose of

conducting union business. D. Schiller indicated that bill would affect KPL bargaining agreements moving forward.

VI. COMMITTEE REPORTS

A. *Finance and Budget Committee* – J. VanderRoest stated the committee had an extensive meeting to discuss budgets.

B. *Personnel Committee* – V. Wright said the committee will be meeting in late May or early June.

C. *Fund Development and Allocations Committee* – No meeting.

D. *Director's Building Advisory Committee* – No meeting.

VII. OTHER BUSINESS

A. *Director's Report*

Report: Director Rohrbaugh began her report by drawing Trustees' attention to an item regarding the Anti-Racism Transformation Team, stating that a number of KPL staff have recently attended a one-day training session at the YWCA, and a further group is planning to attend in August. Additionally, the ARTT has applied for a grant through the American Library Association; we expect to hear the results of that application soon.

She continued, announcing that health insurance rates are increasing for all library employees through MESSA. Next, she shared the library calendar for the year of July 1st, 2015 through June 30th, 2016.

She then informed Trustees that the IT department has received a grant from the Friends of KPL to purchase a 3D Printer, which will be added to The Hub and will be staff-operated. A policy and guidelines for printer are being investigated, and she expects to have a draft prepared for the June meeting.

Director Rohrbaugh then moved to an item indicating 300 KPL patrons took advantage of our free tax preparation services which, as usual, were coordinated by Christine Hann.

Discussion: Director Rohrbaugh began a discussion with Trustees regarding parking arrangements for board members moving forward. She asked P. Jouppi to explain a handful of options that have been discussed. P. Jouppi indicated there is a debit card through Central City Parking which allows parking at downtown parking meters. A second option would be to reimburse Trustees for parking on their own.

L. Godfrey explained some concerns with the proposed debit cards stating they could be used for non-library related business. J. VanderRoest indicated that it is often difficult to find a space or a meter downtown. President Caple asked whether we have reached out to the Park Club regarding parking in their lot. J. VanderRoest stated he had, and that they felt as though since Director Rohrbaugh's membership had lapsed, they no longer felt comfortable allowing trustees

to park in their lot. J. VanderRoest indicated there is a non-profit membership rate available at the Park Club. President Caple suggested we pursue additional information through the Park Club regarding their membership opportunities and rates.

L. Godfrey asked whether the free tax preparation services were better attended this year than in years past. Director Rohrbaugh said she believed that was the case.

V. Wright said she thought KPL staff involvement in professional development opportunities locally and abroad is very encouraging.

Disposition: Trustees thanked Director Rohrbaugh for her report.

VIII. PERSONS REQUESTING TO ADDRESS THE BOARD

No one addressed the Board.

IX. COMMENTS BY TRUSTEES

- L. Godfrey said she appreciated today's reports and thought the information was very valuable.
- V. Wright stated she agrees with the changes made to the Summer Reading Challenge regarding the awarding of prizes to adult patrons.
- C. TenBrink said she was looking forward to Party in the Park and will be reading at that event.
- K. Randolph had no comments.
- R. Brown had no comments.
- J. VanderRoest stated he would also be reading at Party in the Park.
- President Caple said he thought it was great to see the KPL table at the Farmer's Market over the weekend. He also stated that the local history programming lately has been wonderful, and he continues to be pleased that we are able to offer such programs.

X. ADJOURNMENT

Hearing no objection, President Caple adjourned the meeting at 5:32 P.M.

X_____
Robert Brown
Secretary